



Railroad Development in Ohio

Defining the Issue

No one can argue the importance of rail transportation infrastructure to Ohio communities. Thousands of carloads of raw materials, agricultural products, fuels and finished consumer goods moved by rail touch thousands of jobs in Ohio, and through the national rail network, produce a growing share of interstate and export income for Ohio based industries, businesses and farms.

No one can argue that rail transportation has a variety of “growing pains,” too. As Class I railroads continue to reroute lines around critical traffic points around Chicago and St. Louis, rural areas throughout the Midwest, including Ohio, are seeing increased rail traffic and prolonged train stoppages across key rail crossings in many communities. Many community stakeholders are concerned how detouring heavy traffic from state highways to local roads, and potentially blocking emergency service vehicles will impact neighborhoods.

Many counties are served by smaller, Class II local carriers. In many cases, these companies provide the only rail service available. Local businesses are concerned about what options, if any, they will have to economically transport materials if these railroads cease local operations.

From the Interstate Commerce Commission and PUCO to local counties and townships, there is a myriad of rules and regulations governing rail operations and right-of-way maintenance. Confusion often reigns when local governments and farmers need answers to address work with carriers on drainage issues, ballast erosion control, line fences, weed control and crossing maintenance.

Given the issues, opportunities and challenges involved, where do you find the “balance” between railroads and local communities?

AFBF Policy

Railroads

1. We encourage the railroads to accommodate country elevators by not requiring overly restrictive minimums for track length, car numbers, and loading times. These practices should not result in restricting farmers' access to markets.
2. The rail industry should take responsibility for protecting areas impacted by rail traffic, by implementing and maintaining fire guards, maintaining private grade crossings, and building and maintaining sufficient fences for the livestock pertinent to the area, to keep the livestock off the rights of way along rail lines.

3. We believe that all railroad cars should be equipped with sufficient iridescent material in patterns so that they will reflect the lights of a motor vehicle at grade crossings. This requirement should apply to all new cars when placed in service and to all existing cars when returned to service after maintenance. All railroad locomotives should be equipped with fire and spark arresters and heat warning devices on railroad car wheel bearings operating in the U.S.
4. We believe that railroad rights of way should be maintained so long as the railroad continues to own the rights of way.
5. We believe that railroad mergers have resulted in fewer carriers and reduced service for agriculture forcing increased reliance on other less efficient and more costly forms of transportation. We support additional oversight of the railroad industry, including any future plans for consolidation. Before any railroad mergers are approved, an operation plan must be developed and agreed upon to ensure competitive service for agriculture. In addition, we believe the federal government and Congress should review the current situation and implement reforms that recognize the needs of U.S. agriculture.

We support:

- Expansion and improvement of the railroad system to reduce fuel consumption, to lessen road maintenance and to lower the cost of shipping agricultural products and supplies;
- Promoting competition in the rail industry;
- Open access rules where there is a lack of competition;
- Elimination of monopoly pricing that affects captive shippers, including the removal of "paper" and "steel" barriers;
- Giving greater rate-making flexibility to rail carriers to permit more competitive operations; but sufficient regulatory authority must be retained to protect captive shippers against monopoly pricing;
- Elimination of discriminatory railroad rates between geographic areas of the country. We ask that rates be based on weight, volume and distance on a uniform basis for all regions;
- Carriers not being permitted to easily abandon existing branch lines that serve agricultural producers;
- Decreasing the time between the Surface Transportation Board (STB) declaring a railroad abandoned and a property owner's right to regain ownership of his property;
- Facilitating the sale of branch lines which otherwise might be abandoned;
- Providing that in the case of abandonments or non-railroad use, the current owner of the tract of land from which the railroad right-of-way was obtained be given the right of first refusal, including mineral rights, on the basis of the fair market value of comparable property. If the current owner fails to exercise such option, other owners adjacent to the right-of-way will be offered the next right of first refusal;
- Refinements of the Staggers Rail Act to provide reasonable joint rates and switching rules in order to promote the most efficient movement of commodities among different rail service areas;
- Congress repealing the Federal Employer's Liability Act and require all railroad workers to be covered by worker's compensation;

- Expansion and upgrade of existing short line and regional railroads to provide better service options for farm shippers;
- The rail line improvements and expansions proposed by the Dakota, Minnesota and Eastern (DM&E) railroad on the existing corridor to ensure increased options in the movement of agricultural commodities;
- Legislation requiring full disclosure of the railroad grain transportation bidding process to the individuals who participate in the process after all bids have been made and rail cars have been allocated;
- A provision that will allow the Surface Transportation Board, on petition of a state, to declare all or part of a state to be an area of inadequate rail competition, with special rail customer remedies that would apply in such areas;
- Legislation to exempt private, farm railroad crossings, used for the purposes of agricultural production, from user fees, maintenance charges and liability insurance requirements;
- Legislation to prevent railroads from closing crossings if the crossing is the only access a landowner or farmer has to the property, or if the closure adversely affects the farm operations;
- Publishing railroad emergency contact numbers in all local phonebooks, along rail lines and giving them to local emergency personnel in the event of a train-related emergency. Those numbers should be staffed and operational 24/7; and
- Increasing the fine for railroad companies that obstruct a highway, street or navigable stream.

We Oppose:

- The nationalization of railroads;
- The diversion of railroad earnings to holding companies or non-railroad businesses at the expense of a viable railroad;
- Parallel mergers of rail systems and the granting of railroad abandonments which tend to lessen potential transportation competition; and
- The merger of railroad companies with barge companies.
- If these five criteria are not met, we oppose high-speed rail:
 - Due consideration has been given to all developing rail technologies and industries;
 - The proposed rail system is capable of using or locating on existing highway or railroad rights of way;
 - The proposed rail system will serve both rural and metropolitan counties along its route;
 - Access across such routes is maintained for vehicular traffic; and
 - High-speed rail must be self-supporting with no federal, state or local funds of any kind or tax incentives.

OFBF Policy

Railroads and Crossing Safety - We support:

1. Adequate lighting with stop signs or mechanical warning devices at all railroad crossings. Visibility should be maintained including weed and brush removal and

control. Railroad cars should not be parked on sidings where the safe view of the crossing is compromised. All railroad cars should have reflective Department of Transportation tape

2. Regular inspection of railroad crossings, including pothole repair. Timely removal of railroad crossing signs when railroad tracks have been closed. Any problems should be repaired in a timely manner.
3. Amending the Ohio Revised Code to allow state, county, township and municipal highway departments to erect stop signs at unlighted and non-gated railroad crossings.
4. Increasing the amount railroads pay for safety improvements to crossings from the current 10% to 50% of the project cost.
5. Improvement of railroad crossing approach ramps and road width allowances to allow for the safe crossing of large farm equipment and low clearance highway vehicles.
6. Enforcing the maintenance of line fences on existing railroads and along abandoned right-of-ways, pursuant to Ohio Revised Code Section 4959.02 (A), even when the railroad property is sold or transferred.

Discussion Questions

1. How is the state of rail transportation in your neighborhood? Do you see considerable traffic from Class I carriers, or is your area served by Class II carriers providing local service? How dependent are local farms, businesses and industries on rail transportation?
2. If prolonged train stoppages are an issue in the community, what road crossings should be identified as top priorities to ensure road traffic and potential EMS vehicle flow are maintained?
3. While the Interstate Commerce Commission Termination Act of 1995 and federal courts have made it clear that local governments cannot fine railroads for blocked crossings, what other strategies and options do you suggest be considered to address the issue?
4. What suggestions do your council members have on maintaining good relationships with railroads? How would you maintain the “balance” between points of commerce, safety and local convenience?